

**Date:** May 17, 2011

**To:** Thomas J. Bonfield, City Manager  
**Through:** Theodore L. Voorhees, Deputy City Manager  
**From:** Edward R. Venable, Manager of Engineering and Stormwater  
**Subject:** Contract Amendment No. 1 – WS-81, 2010 Water and Sewer Improvements

### **Executive Summary**

On August 4, 2010, bids were opened for Contract WS-81. The contract was awarded to Park Construction of North Carolina, Incorporated of Morrisville, North Carolina on October 4, 2010. The original contract amount was \$2,052,531.75 with a contingency of \$307,879.76 resulting in a total cost of \$2,360,411.51. Work began on this project in January 2011. Additional work totaling \$1,032,250.00 needs to be added to complete the construction of this project including an additional sewer installation for Cornwallis Road.

### **Recommendation**

The Administration recommends that the City Council authorize the City Manager to execute contract Amendment No. 1 for WS-81, 2010 Water and Sewer Improvements in the amount of \$1,032,250.00 increasing the total contract to \$3,392,661.51.

### **Background**

The original contract consists of the construction of water and sewer extensions at 16 specific project locations in the City and County of Durham. One of these projects was the construction of a quantity sewer outfall which allowed for the removal of the St. Marks Pump Station. During the construction of projects within this contract, some of the estimated quantities were significantly less than what was required in the field due to unforeseen circumstances. One example was the amount of rock excavation needed for the installation of the sewer lines. Another item is the restoration of several of the roads which have disintegrated during construction, through no fault of the City or the contractor. These items have increased the contract by an estimated \$732,000.00.

In addition, the Public Works Department proposes to add an additional sewer construction for an area of Cornwallis Road totaling \$300,000.00.

### **Issues/Analysis**

The Public Works Department recommends amending Contract WS-81 to Park Construction of North Carolina, Incorporated increasing the contract to \$3, 392,661.51.

### **Alternatives**

If the contract is not amended and increased, some of the remaining WS-81 contract projects will not be completed. The uncompleted projects within this contract would then need to be re-bid which would likely result in higher construction costs and delay the project completion by approximately six months.

**Financial Impact**

Funds for this project are budgeted for in the following accounts:

**WS-81 Amendment**

2009 Water Revenue Bonds Extensions & Improvements	\$32,250.00
4100P760-732000-P0A30	
2011 Water Revenue Bonds Extensions & Improvements	
4100P762-732000-P0A30	\$400,000.00
2010 Sewer Revenue Bonds Extensions & Improvements	
4100P766-732000-P2630	<u>\$600,000.00</u>
Total	\$1,032,250.00

**SDBE REQUIREMENTS**

This is a contract amendment. No compliance review was conducted in accordance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Park Construction of North Carolina, Incorporated, will be using the following SDBE firms for the additional scope of service:

<b>Firm</b>	<b>ID</b>	<b>City/State</b>	<b>Amount</b>	<b>% of Contract</b>
Carolina Pipe Co., Inc.*	MBE	Garner, NC	\$80,000.00	7.75 %
Mayo Farms*	WBE	Roxboro, NC	\$15,000.00	1.5 %
Calamar, Inc.*	WBE	Durham, NC	\$15,000.00	1.5 %

\*Carolina Pipe Co. (MBE), Calamar, Inc. (WBE) and Mayo Farms (WBE) are certified with the North Carolina Department of Transportation. Therefore, they can be utilized for MSDBE and WSBDE participation for this project.